

GALVESTON DIVISION

CASE NAME: Tekoil and Gas Gulf Coast, LLC

Petition Date: 8/29/2008

CASE NUMBER: 08-80405-H3-11

MONTHLY OPERATING REPORT SUMMARY FOR MONTH DEC YEAR 2009

| MONTH | SEP '09 | OCT '09 | NOV '09 | DEC '09 |
|---------------------------------------|------------|-----------|-----------|-----------|
| REVENUES (MOR-6) | (920) | (365) | 0 | 14,004 |
| INCOME BEFORE INT, DEPREC/TAX (MOR-6) | (205,854) | (11,957) | (39,132) | 7,431 |
| NET INCOME (LOSS) (MOR-6) | (1737,883) | (468,576) | (565,743) | (508,730) |
| PAYMENTS TO INSIDERS (MOR-9) | | | | |
| PAYMENTS TO PROFESSIONALS (MOR-9) | 31,182 | | 12,438 | 6,086 |
| TOTAL DISBURSEMENTS (MOR-8) | 98,647 | 36,712 | 24,445 | 6,086 |

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

CIRCLE ONE

Are all accounts receivable being collected within terms? Yes ☒ No ☐Are all post-petition liabilities, including taxes, being paid within terms? Yes ☒ No ☐Have any pre-petition liabilities been paid? Yes ☒ No ☐ If so, describeAre all funds received being deposited into DIP bank accounts? Yes ☒ No ☐Were any assets disposed of outside the normal course of business? Yes ☒ No ☐

If so, describe

Are all U. S. Trustee Quarterly Fee Payments current? Yes ☒ No ☐

What is the status of your Plan of Reorganization?

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.

SIGNED



(ORIGINAL SIGNATURE)

MOR-1

TITLE



| REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE | | EXP. | DATE |
|--|----------------|------|------|
| CASUALTY | YES () NO () | | |
| LIABILITY | YES () NO () | | |
| VEHICLE | YES () NO () | | |
| WORKERS | YES () NO () | | |
| OTHER | YES () NO () | | |

ALL ASSETS SOLD. NO INSURANCE REQUIRED

ATTORNEY NAME: Patrick Neligan

FIRM: Neligan Foley LLP

ADDRESS: 335 N. St. Paul, Suite 3600

CITY, STATE ZIP: Dallas, TX 75201

TELEPHONE: 2148405300, 2148405301

GALVESTON DIVISION

CASE NAME: Tekoil and Gas Gulf Coast, LLC

Petition Date: 8/29/2008

CASE NUMBER: 08-80405-H3-11

MONTHLY OPERATING REPORT SUMMARY FOR MONTH August YEAR 2009

| MONTH | MAR '09 | APR. 09 | MAY 09 | JUNE 09 | JULY 09 | AUG. 09 |
|--|--------------|--------------|--------------|--------------|-----------------|-----------|
| REVENUES (MOR-6) | 112,327.24 | 107,290.35 | 82,333.02 | 92,410.00 | 303,723.00 | (31,878) |
| INCOME BEFORE INT, DEPREC./TAX (MOR-6) | (253,135.28) | (94,661.99) | 462,164.07 | (427,289.82) | 47,521.56 | (123,232) |
| NET INCOME (LOSS) (MOR-6) | (725,232.97) | (648,741.25) | (988,459.71) | (59,539.82) | (47,245,484.46) | (602,446) |
| PAYMENTS TO INSIDERS (MOR-9) | | | | | | |
| PAYMENTS TO PROFESSIONALS (MOR-9) | 62,883.75 | 32,991.11 | 53,195.61 | 48,682.70 | 90,476.40 | 128,768 |
| TOTAL DISBURSEMENTS (MOR-8) | 210,251.28 | 191,151 | 424,737.45 | 347,570 | 279,6407 | 531,009 |

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

(CIRCLE ONE)

Are all accounts receivable being collected within terms? Yes ☒ No ☐Are all post-petition liabilities, including taxes, being paid within terms? Yes ☒ No ☐Have any pre-petition liabilities been paid? Yes ☒ No ☐ If so, describeAre all funds received being deposited into DIP bank accounts? Yes ☒ No ☐Were any assets disposed of outside the normal course of business? Yes ☒ No ☐

If so, describe

Are all U. S. Trustee Quarterly Fee Payments current? Yes ☒ No ☐

What is the status of your Plan of Reorganization?

| REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE | | EXP. | DATE |
|--|--------------|------|------|
| CASUALTY | YES() NO() | | |
| LIABILITY | YES() NO() | | |
| VEHICLE | YES() NO() | | |
| WORKERS | YES() NO() | | |
| OTHER | YES() NO() | | |

ALL ASSETS SOLD - NO INSURANCE REQUIRED

ATTORNEY NAME: Patrick Neligan
 FIRM: Neligan Foley LLP
 ADDRESS: 325 N. St. Paul, Suite 3600
 ADDRESS:
 CITY, STATE ZIP: Dallas, TX 75201
 TELEPHONE: 2148405300, 2148405301

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.

SIGNED

(ORIGINAL SIGNATURE)

MOR-1

TITLE

GALVESTON DIVISION

CASE NAME: Tekoil and Gas Gulf Coast, LLC

Petition Date: 8/29/2008

CASE NUMBER: 08-80405-H3-11

MONTHLY OPERATING REPORT SUMMARY FOR MONTH FEB YEAR 2009

| MONTH | SEP. 08 | OCT. 08 | NOV. 08 | DEC. 08 | JAN. 09 | FEB. 09 |
|--|-----------|-------------|-----------|-------------|-----------|-----------|
| REVENUES (MOR-6) | | 40,000 | | | (2,237) | 216,575 |
| INCOME BEFORE INT, DEPREC, TAX (MOR-6) | (377,608) | (452,029) | (383,198) | (589,004) | (342,977) | 290,742 |
| NET INCOME (LOSS) (MOR-6) | (450,876) | (1,540,906) | (997,448) | (1,146,820) | (994,830) | (249,379) |
| PAYMENTS TO INSIDERS (MOR-9) | 45,000 | 45,000 | 45,000 | 45,000 | | |
| PAYMENTS TO PROFESSIONALS (MOR-9) | 35,600 | 35,866 | 44,486 | 180,481 | 77,887 | 64,733 |
| TOTAL DISBURSEMENTS (MOR-8) | 437,133 | 395,230 | 211,630 | 419,446 | 256,838 | 222,440 |

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

(CIRCLE ONE)

Are all accounts receivable being collected within terms? Yes ☒ No ☐Are all post-petition liabilities, including taxes, being paid within terms? Yes ☒ No ☐Have any pre-petition liabilities been paid? Yes ☒ No ☐ If so, describeAre all funds received being deposited into DIP bank accounts? Yes ☒ No ☐Were any assets disposed of outside the normal course of business? Yes ☒ No ☐

If so, describe

Are all U. S. Trustee Quarterly Fee Payments current? Yes ☒ No ☐What is the status of your Plan of Reorganization? FILED

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.

SIGNED



(ORIGINAL SIGNATURE)

MOR-1

TITLE Financial Consultant

REQUIRED INSURANCE MAINTAINED

AS OF SIGNATURE DATE

EXP.

DATE

CASUALTY YES () NO () 5-9-09
 LIABILITY YES () NO () 5-9-09
 VEHICLE YES () NO () 5-9-09
 WORKERS YES () NO () 5-9-09
 OTHER Employer's Policy YES () NO () 5-9-09

ATTORNEY NAME: Patrick Neligan

FIRM: Neligan Foley LLP

ADDRESS: 325 N. St. Paul, Suite 3600

CITY, STATE, ZIP: Dallas, TX 75201

TELEPHONE: 2148405300, 2148405301

CASE NUMBER: 00-00405-113-11

CASE NUMBER: 00-00405-113-11

COMPARATIVE BALANCE SHEETS

| ASSETS | FILING DATE* 8/29/2008 | MONTH SEP '09 | MONTH OCT '09 | MONTH NOV '09 | MONTH DEC '09 | MONTH | MONTH |
|------------------------------------|---------------------------|------------------|------------------|------------------|------------------|-------|-------|
| CURRENT ASSETS | | | | | | | |
| Cash | 90,859 | 2,716,046 | 2,716,306 | 2,796,746 | 2,879,858 | | |
| Accounts Receivable, Net | 1,627,398 | 216,936 | 196,936 | 196,936 | 196,936 | | |
| Inventory: Lower of Cost or Market | | | | | | | |
| Prepaid Expenses | 1,628,865 | 187,767 | 187,768 | 83,035 | 7,500 | | |
| Investments | | | | | | | |
| Other | 5,868,162 | | | | | | |
| TOTAL CURRENT ASSETS | 8,215,283 | 3,120,750 | 3,101,010 | 3,076,717 | 3,084,294 | | |
| PROPERTY, PLANT&EQUIP, @ COST | 470,000 | | | | | | |
| Less Accumulated Depreciation | | | | | | | |
| NET BOOK VALUE OF PP & E | 470,000 | | | | | | |
| OTHER ASSETS: | | | | | | | |
| 1. Tax Deposits | | | | | | | |
| 2. Investments in Subs | | | | | | | |
| 3. | | | | | | | |
| 4. (attach list) | | | | | | | |
| TOTAL ASSETS | 8,685,283 | 3,120,750 | 3,101,010 | 3,076,717 | 3,084,294 | | |

*Per Schedules and Statement of Affairs

MOR-2

Retrieved: 1/12/10

DIALLASES

Received 2013 24

CASE NUMBER: 00-00405-10-11

COMPARATIVE BALANCE SHEETS

| ASSETS | FILING DATE* 8/29/2008 | MONTH SEP. 08 | MONTH OCT. 08 | MONTH NOV. 08 | MONTH DEC. 08 | MONTH JAN. 09 | MONTH FEB. 09 |
|------------------------------------|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CURRENT ASSETS | | | | | | | |
| Cash | 90,859 | 814,947 | 509,368 | 301,049 | 138,563 | 43,123 | 138,707 |
| Accounts Receivable, Net | 1,627,398 | 518,219 | 626,784 | 623,473 | 623,473 | 523,150 | 400,375 |
| Inventory: Lower of Cost or Market | | | | | | | |
| Prepaid Expenses | 628,865 | 632,981 | 690,404 | 690,404 | 697,904 | 158,520 | 158,520 |
| Investments | | | | | | | |
| Other | 5,868,162 | 5,879,261 | 5,901,163 | 5,911,965 | 5,911,965 | 5,921,671 | 5,931,398 |
| TOTAL CURRENT ASSETS | 8,215,283 | 7,845,409 | 7,727,720 | 7,526,891 | 7,371,905 | 6,646,465 | 6,628,999 |
| PROPERTY, PLANT & EQUIP., @ COST | 470,000 | 54,628,671 | 54,628,671 | 54,628,671 | 54,628,671 | 54,628,671 | 54,628,671 |
| Less Accumulated Depreciation | | (4,572,942) | (4,651,493) | (4,730,048) | (4,808,594) | (4,887,144) | (4,965,695) |
| NET BOOK VALUE OF PP & E | 470,000 | 50,055,729 | 49,977,179 | 49,898,623 | 49,820,077 | 49,741,527 | 49,662,976 |
| OTHER ASSETS: | | | | | | | |
| 1. Tax Deposits | | | | | | | |
| 2. Investments in Subs | | | | | | | |
| 3. | | | | | | | |
| 4. (attach list) | | | | | | | |
| TOTAL ASSETS | 8,685,283 | 57,896,138 | 57,704,898 | 57,425,519 | 57,191,985 | 56,387,992 | 56,291,976 |

*Per Schedules and Statement of Affairs

MOR-2

Note: No RECOGNITION FOR ASSET IMPAIRMENT ATTRIBUTABLE TO DAMAGE FROM HURRICANE IKE HAS BEEN MADE

Revised 6/11/09

COMPARATIVE BALANCE SHEETS

| LIABILITIES & OWNER'S EQUITY | FILING DATE* 8/29/2008 | MONTH SEP '09 | MONTH OCT '09 | MONTH NOV '09 | MONTH DEC '09 | MONTH | MONTH |
|-------------------------------------|---------------------------|------------------|------------------|------------------|------------------|-------|-------|
| LIABILITIES: | | | | | | | |
| POST-PETITION LIABILITIES (MOR-4) | | | | | | | |
| PRE-PETITION LIABILITIES: | | | | | | | |
| Notes Payable-Secured | 38,013,936 | 38,017,853 | 38,017,853 | 38,017,853 | 38,017,853 | | |
| Priority Debt | 688,640 | 672,721 | 672,721 | 672,721 | 672,721 | | |
| Federal Income Tax | | | | | | | |
| FICA/Withholding | | | | | | | |
| Unsecured Debt | 7,220,073 | 11,514,079 | 11,514,079 | 11,514,079 | 11,514,079 | | |
| Other | | | | | | | |
| TOTAL PRE-PETITION LIABILITIES | 45,922,648 | 50,204,653 | 50,204,654 | 50,204,655 | 50,204,658 | | |
| TOTAL LIABILITIES | 45,922,648 | 50,204,653 | 50,204,654 | 50,204,655 | 50,204,658 | | |
| OWNER'S EQUITY (DEFICIT): | | | | | | | |
| PREFERRED STOCK | | | | | | | |
| COMMON STOCK | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | | |
| ADDITIONAL PAID-IN CAPITAL | | | | | | | |
| RETAINED EARNINGS: Filing Date | 69,643,163 | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) | | |
| RETAINED EARNINGS: Post Filing Date | (37,237,365) | (57,553,468) | (58,024,985) | (58,587,787) | (59,096,457) | | |
| TOTAL OWNER'S EQUITY (NET WORTH) | | (53,819,990) | (54,288,507) | (54,854,250) | (55,362,980) | | |
| TOTAL LIABILITIES & OWNER'S EQUITY | 8,685,283 | 3,120,750 | 3,101,010 | 3,076,717 | 3,084,294 | | |

MOR-3

*Per Schedules and Statement of Affairs

Revised 6/14/09

COMPARATIVE BALANCE SHEETS

| LIABILITIES & OWNER'S EQUITY | FILING DATE* 8/29/2008 | MONTH MAR '09 | MONTH APR. 09 | MONTH MAY 09 | MONTH JUNE 09 | MONTH JULY 09 | MONTH AUG. 09 |
|-------------------------------------|---------------------------|------------------|------------------|-----------------|------------------|------------------|------------------|
| LIABILITIES: | | | | | | | |
| POST-PETITION LIABILITIES (MOR-4) | | 4,457,720 | 5,624,505 | 6,433,654 | 7,463,034 | 6,026,663 | 6,097,768 |
| PRE-PETITION LIABILITIES: | | | | | | | |
| Notes Payable Secured | 38,013,936 | 38,017,853 | 38,017,853 | 38,017,853 | 38,017,853 | 38,017,853 | 38,017,853 |
| Priority Debt | 688,640 | 672,721 | 672,721 | 672,721 | 672,721 | 672,721 | 672,721 |
| Federal Income Tax | | | | | | | |
| FICA/Withholding | | | | | | | |
| Unsecured Debt | 7,220,073 | 15,533,167 | 15,533,171 | 15,531,942 | 15,531,937 | 11,514,080 | 11,514,079 |
| Other | | | | | | | |
| TOTAL PRE-PETITION LIABILITIES | 45,922,648 | 54,223,745 | 54,223,745 | 54,222,516 | 54,222,511 | 50,204,653 | 50,204,653 |
| TOTAL LIABILITIES | 45,922,648 | 58,681,465 | 59,848,250 | 60,656,169 | 61,685,545 | 56,231,316 | 56,302,421 |
| OWNER'S EQUITY (DEFICIT): | | | | | | | |
| PREFERRED STOCK | | | | | | | |
| COMMON STOCK | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 |
| ADDITIONAL PAID-IN CAPITAL | | | | | | | |
| RETAINED EARNINGS- Filing Date | (69,643,163) | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) |
| RETAINED EARNINGS- Post Filing Date | (37,237,365) | (6,283,201) | (6,931,942) | (7,920,402) | (8,973,110) | (56,213,138) | (56,815,582) |
| TOTAL OWNER'S EQUITY (NET WORTH) | | (2,549,723) | (3,198,465) | (4,186,924) | (5,239,632) | (52,479,661) | (53,082,102) |
| TOTAL LIABILITIES & OWNER'S EQUITY | 8,685,283 | 56,131,738 | 56,649,786 | 56,469,245 | 56,445,913 | 3,751,656 | 3,220,315 |

MOR-3

*Per Schedules and Statement of Affairs

Revised 6/22/09

COMPARATIVE BALANCE SHEETS

| LIABILITIES & OWNERS' EQUITY | FILING DATE* 8/29/2008 | MONTH SEP. 08 | MONTH OCT. 08 | MONTH NOV. 08 | MONTH DEC. 08 | MONTH JAN. 09 | MONTH FEB. 09 |
|-------------------------------------|---------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| LIABILITIES: | | | | | | | |
| POST-PETITION LIABILITIES (MOR-4) | | 144,856 | 1,577,648 | 2,071,567 | 2,987,150 | 3,713,504 | 3,865,718 |
| PRE-PETITION LIABILITIES: | | | | | | | |
| Notes Payable-Secured | 38,013,936 | 37,957,959 | 37,958,181 | 38,017,853 | 38,017,853 | 38,017,853 | 38,017,853 |
| Priority Debt | 688,640 | 672,721 | 672,721 | 672,721 | 672,721 | 672,721 | 672,721 |
| Federal Income Tax | | | | | | | |
| FICA/Withholding | | | | | | | |
| Unsecured Debt | 7,220,073 | 15,837,999 | 15,754,572 | 16,069,383 | 16,068,148 | 15,532,026 | 15,533,168 |
| Other | | | | | | | |
| TOTAL PRE-PETITION LIABILITIES | 45,922,648 | 54,468,679 | 54,385,474 | 54,759,957 | 54,758,722 | 54,222,600 | 54,223,742 |
| TOTAL LIABILITIES | 45,922,648 | 54,613,536 | 55,963,122 | 56,831,524 | 57,745,872 | 57,936,104 | 58,089,460 |
| OWNERS'S EQUITY (DEFICIT): | | | | | | | |
| PREFERRED STOCK | | | | | | | |
| COMMON STOCK | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 | 32,405,798 |
| ADDITIONAL PAID-IN CAPITAL | | | | | | | |
| RETAINED EARNINGS: Filing Date | (19,643,163) | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) | (28,672,320) |
| RETAINED EARNINGS: Post Filing Date | | (450,876) | (1,991,701) | (3,139,482) | (4,287,367) | (5,281,589) | (5,530,960) |
| TOTAL OWNERS'S EQUITY (NET WORTH) | (37,237,365) | 3,282,602 | 1,741,777 | 593,996 | (533,889) | (1,548,111) | (1,797,490) |
| TOTAL LIABILITIES & OWNER'S EQUITY | 8,685,283 | 57,896,137 | 57,704,898 | 57,425,520 | 57,191,983 | 56,387,992 | 56,291,970 |

MOR-3

*Per Schedules and Statement of Affairs

Revised 6/18/09

CASE NAME: Tekoil and Gas Gulf Coast, LLC

CASE NUMBER: 08-80405-H3-11

SCHEDULE OF POST-PETITION LIABILITIES

| | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|---|-----------|-----------|-----------|-----------|-------|-------|
| TRADE ACCOUNTS PAYABLE | SEP '09 | OCT '09 | NOV '09 | DEC '09 | | |
| | 81,700 | 73,915 | 67,130 | 64,980 | | |
| TAX PAYABLE: | | | | | | |
| Federal Payroll Taxes | | | | | | |
| State Payroll & Sales | | | | | | |
| Ad Valorem Taxes | | | | | | |
| Other Taxes | | | | | | |
| TOTAL TAXES PAYABLE | | | | | | |
| SECURED DEBT POST-PETITION | | | | | | |
| ACCRUED INTEREST PAYABLE | 6,348,505 | 6,805,066 | 7,331,829 | 7,848,138 | | |
| *ACCRUED PROFESSIONAL FEES: | | | | | | |
| OTHER ACCRUED LIABILITIES: | 305,582 | 305,582 | 327,353 | 332,504 | | |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| TOTAL POST-PETITION LIABILITIES (MOR-3) | 6,736,087 | 7,184,863 | 7,726,312 | 8,242,622 | | |

* Payment Requires Court Approval.

MOR-4

Revised 6/1/96

CASE NAME: Tecoil and Gas Gulf Coast, LLC

CASE NUMBER: 08-80405-H3-11

SCHEDULE OF POST-PETITION LIABILITIES

| | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | MAR '09 | APR '09 | MAY '09 | JUNE '09 | JULY '09 | AUG '09 |
| TRADE ACCOUNTS PAYABLE | 171,879 | 158,747 | 146,044 | 328,117 | 286,658 | 91,009 |
| TAX PAYABLE: | | | | | | |
| Federal Payroll Taxes | | | | | | |
| State Payroll & Sales | | | | | | |
| Ad Valorem Taxes | | | 83,333 | 83,333 | | |
| Other Taxes | | | 83,333 | 83,333 | | |
| TOTAL TAXES PAYABLE | | | | | | |
| SECURED DEBT POST-PETITION | 428,983 | 528,983 | 758,983 | 1,058,983 | | |
| ACCRUED INTEREST PAYABLE | 3350,789 | 3,836,365 | 4,309,650 | 4,873,728 | 5,337,029 | 5,816,476 |
| * ACCRUED PROFESSIONAL FEES: | | | | | | |
| OTHER ACCRUED LIABILITIES: | | | | | | |
| 1. ACCRUED LOAN FEES (DIP) | 1,377 | 2,892 | 4,284 | 4,323 | | |
| 2. ACCRUED ACCOUNTS PAYABLE | 504,693 | 597,518 | 631,359 | 614,550 | 402,976 | 190,283 |
| 3. SALE DEPOSITS | | 500,000 | 500,000 | 500,000 | | |
| TOTAL POST-PETITION LIABILITIES (MOR-3) | 4,457,720 | 5,624,505 | 6,433,654 | 7,463,034 | 6,026,663 | 6,097,768 |

* Payment Requires Court Approval.

MOR-4

Revised 6/14/06

CASE NAME: Tekoil and Gas Gulf Coast, L.L.C.

CASE NUMBER: 08-80405-H3-11

SCHEDULE OF POST-PETITION LIABILITIES

| | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|---|---------|-----------|-----------|-----------|-----------|-----------|
| | SEP. 08 | OCT. 08 | NOV. 08 | DEC. 08 | JAN. 09 | FEB. 09 |
| TRADE ACCOUNTS PAYABLE | 82,962 | 421,345 | 512,014 | 748,668 | 831,897 | 513,964 |
| TAX PAYABLE: | | | | | | |
| Federal Payroll Taxes | | | | | | |
| State Payroll & Sales | | | | | | |
| Ad Valorem Taxes | 50,680 | 101,360 | | | | |
| Other Taxes | | | | | | |
| TOTAL TAXES PAYABLE | 50,680 | 101,360 | | 250,000 | 310,000 | 310,000 |
| SECURED DEBT POST-PETITION | | | | | | |
| ACCRUED INTEREST PAYABLE | | 1,054,943 | 1,512,754 | 1,987,452 | 2,451,480 | 2,921,445 |
| * ACCRUED PROFESSIONAL FEES: | | | | | | |
| OTHER ACCRUED LIABILITIES: | | | | | | |
| 1. WAGES/SALARIES | 11,214 | | 7,097 | | | |
| 2. A/P | | | 39,702 | 1,030 | 1,235 | |
| 3. DIP (Accrued Loan Fees) | | | | | 118,891 | 120,309 |
| TOTAL POST-PETITION LIABILITIES (MOR-3) | 144,856 | 1,577,648 | 2,071,567 | 2,987,150 | 3,713,504 | 3,865,718 |

* Payment Requires Court Approval.

MOR-4

Revised 6/14/09

CASE NAME: Tekoil and Gas Gulf Coast, LLC

CASE NUMBER: 08-80405-H3-11

AGING OF POST-PETITION LIABILITIES

MONTH DEC 2009

| DAYS | TOTAL | TRADE ACCTS | FED TAXES | STATE TAXES | AD-VALOREM, OTHER TAXES | OTHER |
|-------|-----------|-------------|-----------|-------------|----------------------------|-----------|
| 0-30 | 516,308 | | | | | 516,308 |
| 31-60 | 548,236 | | | | | 548,236 |
| 61-90 | 457,738 | 1,178 | | | | 456,560 |
| 91 + | 6,720,340 | 60,802 | | | | 6,659,538 |
| TOTAL | 8,242,622 | 61,980 | | | | 8,180,642 |

AGING OF ACCOUNTS RECEIVABLE

| MONTH | TRADE ACCOUNTS | | | | |
|------------|-------------------|--|--|--|--|
| 0-30 DAYS | | | | | |
| 31-60 DAYS | | | | | |
| 61-90 DAYS | | | | | |
| 91 + DAYS | 196,936 | | | | |
| TOTAL | 196,936 | | | | |

MOR-5

Revised 6/14/96

STATEMENT OF INCOME (LOSS)

| MONTH | SEP '09 | OCT '09 | NOV '09 | DEC '09 | FILING TO DATE |
|-------------------------------------|-----------|-----------|-----------|-----------|----------------|
| REVENUES (MOR-1) | (920) | (365) | - | 14,004 | |
| TOTAL COST OF REVENUES | 2147 | 2 | | | |
| GROSS PROFIT | (3,067) | (367) | - | 14,004 | |
| OPERATING EXPENSES: | | | | | |
| Selling & Marketing | | | | | |
| General & Administrative | 46,986 | 1,190 | 5,222 | 487 | |
| Insiders Compensation | | | | | |
| Professional Fees | 155,801 | | 33,910 | 6,086 | |
| Other (attach list) | | 10,400 | | | |
| TOTAL OPERATING EXPENSES | 202,787 | 11,590 | 39,132 | 6,573 | |
| INCOME BEFORE INT, DEPR TAX (MOR-1) | (205,854) | (11,957) | (39,132) | 7,431 | |
| INTEREST EXPENSE | 532,029 | 456,559 | 526,764 | 516,308 | |
| DEPRECIATION | | | | | |
| OTHER (INCOME) EXPENSE* | | | (153) | (147) | |
| OTHER ITEMS** | | | | | |
| TOTAL INT, DEPR & OTHER ITEMS | 532,029 | 456,559 | 526,611 | 516,161 | |
| NET INCOME BEFORE TAXES | (737,883) | (468,516) | (565,743) | (508,730) | |
| FEDERAL INCOME TAXES | | | | | |
| NET INCOME (LOSS) (MOR-1) | (737,883) | (468,516) | (565,743) | (508,730) | |

Accrual Accounting Required. Otherwise Footnote With Explanation

* Footnote Mandatory

** Unusual and/or infrequent item(s) outside the ordinary course of business; requires footnote

MOR-6

Revised 01/19/06

STATEMENT OF INCOME (LOSS)

| MONTH | MAR '09 | APR. 09 | MAY 09 | JUNE 09 | JULY 09 | AUG. 09 | FILING TO DATE |
|---------------------------------------|-----------|-----------|-----------|-------------|------------|-----------|----------------|
| REVENUES (MOR-1) | 112,327 | 107,290 | 82,333 | 92,410 | 303,723 | (31,878) | 920,544 |
| TOTAL COST OF REVENUES | 185,517 | 115,484 | 260,906 | 407,336 | (41,782) | 14,538 | 1974,491 |
| GROSS PROFIT | (73,190) | (8,193) | (178,573) | (314,926) | 345,505 | 46,416 | 1,053,947 |
| OPERATING EXPENSES: | | | | | | | |
| Selling & Marketing | | | | | | | |
| General & Administrative | 9,948 | 54,280 | 178,920 | 73,728 | 92,883 | 3,564 | 878,839 |
| Insiders Compensation | | | | | | | 180,000 |
| Professional Fees | 169,998 | 32,189 | 104,671 | 38,636 | 205,100 | 73,252 | 1,047,768 |
| Other (attach list) | | | | | | | 648 |
| TOTAL OPERATING EXPENSES | 179,946 | 86,469 | 283,591 | 112,364 | 297,983 | 76,816 | 2,113,089 |
| INCOME BEFORE INT. DEPR & TAX (MOR-1) | (253,135) | (94,662) | (462,164) | (427,290) | 47,522 | 123,232 | 3,167,036 |
| INTEREST EXPENSE | 429,343 | 485,576 | 473,285 | 564,077 | 503,909 | 479,447 | 5,929,613 |
| DEPRECIATION | 78,550 | 78,550 | 78,550 | 78,550 | 78,550 | | 864,050 |
| OTHER (INCOME) EXPENSE** | (8,795) | (10,047) | (10,099) | (10,377) | (9,900) | (233) | (112,680) |
| OTHER ITEMS** | | | 15,441** | | 46,721,411 | | 46,829,109 |
| TOTAL INT. DEPR & OTHER ITEMS | 499,098 | 554,079 | 526,296 | 632,250 | 47,292,970 | 479,214 | 53,510,094 |
| NET INCOME BEFORE TAXES | (752,233) | (648,741) | (988,460) | (1,059,540) | 47,245,448 | (602,446) | 56,677,127 |
| FEDERAL INCOME TAXES | | | | | | | |
| NET INCOME (LOSS) (MOR-1) | 752,233 | 648,741 | (988,460) | (1,059,540) | 47,245,448 | (602,446) | 56,677,127 |

LOSS ON SALE OF ASSETS

PRIOR PERIOD ADJUSTMENTS

Actual Accounting Required, Otherwise Footnote With Explanation
 * Footnote Mandatory
 ** Unusual and/or infrequent items outside the ordinary course of business, requires footnote

MOR-6

Revised 6/14/06

STATEMENT OF INCOME (LOSS)

| MONTH | SEP. 08 | OCT. 08 | NOV. 08 | DEC. 08 | JAN. 09 | FEB. 09 | FILING TO DATE |
|-------------------------------------|-----------|-------------|-----------|-------------|-----------|-----------|----------------|
| REVENUES (MOR-1) | | 40600 | | | 2237 | 216,575 | 254,338 |
| TOTAL COST OF REVENUES | 254,832 | 324,772 | 74,383 | 361,345 | 188,048 | (170,888) | 1,033,492 |
| GROSS PROFIT | (254,832) | (284,772) | (74,383) | (361,345) | (190,285) | 387,463 | (778,154) |
| OPERATING EXPENSES: | | | | | | | |
| Selling & Marketing | | | | | | | |
| General & Administrative | 42,175 | 86,391 | 98,001 | 133,986 | 68,786 | 36,177 | 465,516 |
| Insiders Compensation | 45,000 | 45,000 | 45,000 | 45,000 | | | 180,000 |
| Professional Fees | 35,601 | 35,866 | 165,814 | 48,674 | 77,425 | 60,544 | 423,923 |
| Other (attach list) | | | | | 6,481 | | 6,481 |
| TOTAL OPERATING EXPENSES | 122,775 | 167,257 | 308,814 | 227,660 | 152,192 | 96,721 | 1,075,920 |
| INCOME BEFORE INT. DEPR/TAX (MOR-1) | (377,608) | (452,029) | (383,198) | (589,004) | (342,977) | 290,742 | (1,854,074) |
| INTEREST EXPENSE | 5817 | 1,032,228 | 545,852 | 474,699 | 466,415 | 469,965 | 2,994,975 |
| DEPRECIATION | 78,551 | 78,550 | 78,550 | 78,550 | 78,550 | 78,550 | 471,302 |
| OTHER (INCOME) EXPENSE* | (11,099) | (21,902) | (10,802) | | (9,706) | (9,722) | (63,231) |
| OTHER ITEMS** | | | 650 | 4,567 | 116,594 | 1,328 | 123,139 |
| TOTAL INT, DEPR & OTHER ITEMS | 73268 | 1,088,876 | 614,250 | 557,816 | 681,853 | 540,121 | 3,526,185 |
| NET INCOME BEFORE TAXES | (450,876) | (1,540,906) | (997,448) | (1,146,820) | (994,830) | (249,379) | (5,380,259) |
| FEDERAL INCOME TAXES | | | | | | | |
| NET INCOME (LOSS) (MOR-1) | (450,876) | (1,540,906) | (997,448) | (1,146,820) | (994,830) | (249,379) | (5,380,259) |

* Actual Accounting Required, Otherwise Footnote With Explanation

* Footnote Mandatory

** Unusual and/or infrequent items (if any) outside the ordinary course of business, requires footnote

MOR-6

Revised 6/14/96

| CASH RECEIPTS AND DISBURSEMENTS | | | | | | | | | | FILING TO DATE | |
|---|--|--|--|--|--|--|--|--|--|----------------|--|
| 1. CASH - BEGINNING OF MONTH | | | | | | | | | | | |
| RECEIPTS: | | | | | | | | | | | |
| 2. CASH SALES | | | | | | | | | | | |
| 3. COLLECTION OF ACCOUNTS RECEIVABLE | | | | | | | | | | | |
| 4. LOANS & ADVANCES (attach list) | | | | | | | | | | | |
| 5. SALE OF ASSETS | | | | | | | | | | | |
| 6. OTHER (attach list) | | | | | | | | | | | |
| TOTAL RECEIPTS | | | | | | | | | | | |
| (Withdrawal) Contribution by Individual Debtor MFR-2* | | | | | | | | | | | |
| DISBURSEMENTS: | | | | | | | | | | | |
| 7. NET PAYROLL | | | | | | | | | | | |
| 8. PAYROLL TAXES PAID | | | | | | | | | | | |
| 9. SALES, USE & OTHER TAXES PAID | | | | | | | | | | | |
| 10. SECURED / RENTAL / LEASES | | | | | | | | | | | |
| 11. UTILITIES | | | | | | | | | | | |
| 12. INSURANCE | | | | | | | | | | | |
| 13. INVENTORY PURCHASES | | | | | | | | | | | |
| 14. VEHICLE EXPENSES | | | | | | | | | | | |
| 15. TRAVEL & ENTERTAINMENT | | | | | | | | | | | |
| 16. REPAIRS, MAINTENANCE & SUPPLIES | | | | | | | | | | | |
| 17. ADMINISTRATIVE & SELLING | | | | | | | | | | | |
| 18. OTHER (attach list) | | | | | | | | | | | |
| TOTAL DISBURSEMENTS FROM OPERATIONS | | | | | | | | | | | |
| 19. PROFESSIONAL FEES | | | | | | | | | | | |
| 20. U.S. TRUSTEE FEES | | | | | | | | | | | |
| 21. OTHER REORGANIZATION EXPENSES (attach list) | | | | | | | | | | | |
| TOTAL DISBURSEMENTS | | | | | | | | | | | |
| 22. NET CASH FLOW | | | | | | | | | | | |
| 23. CASH - END OF MONTH (prior-2) | | | | | | | | | | | |

MOR-7

*Applies to Individual Debtor's only.

Revised 10/1/99

| CASH RECEIPTS AND DISBURSEMENTS | | | | | | | | | | FILING TO DATE |
|---|----------|---------|-----------|----------|-----------|-----------|--|--|--|----------------|
| | MAR '09 | APR '09 | MAY '09 | JUNE '09 | JULY '09 | AUG '09 | | | | |
| 1. CASH - BEGINNING OF MONTH | 138,708 | 48,229 | 533,331 | 419,049 | 534,655 | 3212,024 | | | | 90,859 |
| RECEIPTS: | | | | | | | | | | |
| 2. CASH SALES | 119,772 | 105,982 | 70,042 | 132,892 | 89,057 | | | | | 661,421 |
| 3. COLLECTION OF ACCOUNTS RECEIVABLE | | | | 18,677 | | 98,411 | | | | 1,420,040 |
| 4. LOANS & ADVANCES (attach list) | | 570,000 | 230,000 | 300,000 | 333,000 | | | | | 1,743,000 |
| 5. SALE OF ASSETS | | | | | 4,040,000 | | | | | 4,040,000 |
| 6. OTHER (attach list) | | 271 | 10,413 | 11,505 | 1,020,898 | 233 | | | | 199,493 |
| TOTAL RECEIPTS | 119,772 | 676,252 | 310,455 | 463,073 | 5473,876 | 98,644 | | | | 8,123,954 |
| (Withdrawal) Contribution by Individual Debtor MFR-2* | | | | | | | | | | |
| DISBURSEMENTS: | | | | | | | | | | |
| 7. NET PAYROLL | 15,623 | 23,573 | 13,858 | 15,843 | 18,800 | 8,581 | | | | 263,632 |
| 8. PAYROLL TAXES PAID | 6,072 | 8,877 | 5,063 | 6,004 | 7,126 | 3,520 | | | | 112,226 |
| 9. SALES, USE & OTHER TAXES PAID | | | | | | | | | | 7,663 |
| 10. SECURED / RENTAL / LEASES | 24,550 | 1,750 | 20,298 | | | 3,000 | | | | 93,602 |
| 11. UTILITIES | 117 | 486 | 10,459 | | 10,039 | 6,166 | | | | 32,852 |
| 12. INSURANCE | 4,720 | | 177,335 | 65,280 | 84,977 | | | | | |
| 13. INVENTORY PURCHASES | | | | | | | | | | |
| 14. VEHICLE EXPENSES | | | | | | | | | | |
| 15. TRAVEL & ENTERTAINMENT | | | | | | | | | | |
| 16. REPAIRS, MAINTENANCE & SUPPLIES | 73,289 | 8,715 | 64,747 | 86,836 | 52,606 | 342,822 | | | | 896,991 |
| 17. ADMINISTRATIVE & SELLING | 6,672 | 44,757 | 74,893 | 6,403 | 7,549 | 33,290 | | | | 216,433 |
| 18. OTHER (attach list) | 16,325 | 70,000 | | 118,519 | 2,524,834 | | | | | 1,864,231 |
| TOTAL DISBURSEMENTS FROM OPERATIONS | 147,368 | 158,159 | 366,653 | 298,885 | 1,705,931 | 397,379 | | | | 4,387,328 |
| 19. PROFESSIONAL FEES | 62,883 | 32,991 | 53,196 | 48,683 | 90,476 | 128,768 | | | | 846,052 |
| 20. U.S. TRUSTEE FEES | | | 4,889 | | | 4,861 | | | | 21,775 |
| 21. OTHER REORGANIZATION EXPENSES (attach list) | | | | | | | | | | 180,000 |
| TOTAL DISBURSEMENTS | 210,251 | 191,150 | 424,737 | 347,567 | 2,796,407 | 531,008 | | | | 5,435,152 |
| 22. NET CASH FLOW | (90,479) | 485,103 | (114,282) | 115,506 | 2,677,469 | (432,364) | | | | 2,688,808 |
| 23. CASH - END OF MONTH (mot-2) | 48,229 | 533,331 | 419,049 | 534,655 | 3212,024 | 2,779,660 | | | | 2,779,660 |

① INTEREST INCOME
FROM CD, PLUS \$100,000 SALE DEPOSIT

MOR-7

*Applies to Individual debtor's only.

③ \$1,000,000 RETURN OF SALE DEPOSIT, \$1,524,834 PAYBACK OF DIPLOAN

| CASH RECEIPTS AND DISBURSEMENTS | | | | | | | | | | FILING TO DATE |
|---|------------------|------------------|------------------|------------------|------------------|------------------|--|--|--|----------------|
| 1. CASH - BEGINNING OF MONTH | MONTH SEP. 08 | MONTH OCT. 08 | MONTH NOV. 08 | MONTH DEC. 08 | MONTH JAN. 09 | MONTH FEB. 09 | | | | |
| | 90,859 | 814,947 | 509,368 | 301,049 | 138,563 | 43,123 | | | | 90,859 |
| RECEIPTS: | | | | | | | | | | |
| 2. CASH SALES | | 40,000 | | | | 112,676 | | | | 152,676 |
| 3. COLLECTION OF ACCOUNTS RECEIVABLE | 1,152,535 | 49,208 | 3,311 | | 97,012 | 60,886 | | | | 1,362,952 |
| 4. LOANS & ADVANCES (attach list) | | | | 250,000 | 60,000 | | | | | 310,000 |
| 5. SALE OF ASSETS | | | | | | | | | | |
| 6. OTHER (attach list) | | 443 | | 6960 | 4,386 | 144,464 | | | | 156,253 |
| TOTAL RECEIPTS | 1,152,535 | 89,651 | 3,311 | 256,960 | 161,398 | 318,026 | | | | 1,981,881 |
| (Withdrawal) Contribution by Individual Debtor MFR-2* | | | | | | | | | | |
| DISBURSEMENTS: | | | | | | | | | | |
| 7. NET PAYROLL | 70,939 | 29,039 | 16,242 | 18,634 | 15,850 | 16,649 | | | | 167,354 |
| 8. PAYROLL TAXES PAID | 34,346 | 12,017 | 6,689 | 7,615 | 7,295 | 7,603 | | | | 75,565 |
| 9. SALES, USE & OTHER TAXES PAID | 7,663 | | | | 9,500 | 25,504 | | | | 7,663 |
| 10. SECURED / RENTAL / LEASES | | 7,000 | 2,000 | | | 15 | | | | 44,004 |
| 11. UTILITIES | | 2,514 | | 3,086 | | | | | | 5,585 |
| 12. INSURANCE | 60,000 | 69,752 | 56,225 | 64,284 | 63,168 | 6,007 | | | | 319,436 |
| 13. INVENTORY PURCHASES | | | | | | | | | | |
| 14. VEHICLE EXPENSES | | | | | | | | | | |
| 15. TRAVEL & ENTERTAINMENT | | | | | | | | | | |
| 16. REPAIRS, MAINTENANCE & SUPPLIES | | | | | | | | | | |
| 17. ADMINISTRATIVE & SELLING | 174,899 | 122,117 | 18,100 | 18,322 | 62,158 | 47,285 | | | | 267,982 |
| 18. OTHER (attach list) | | 55,031 | 22,238 | 14,409 | 20,980 | 3,252 | | | | 290,809 |
| TOTAL DISBURSEMENTS FROM OPERATIONS | 347,847 | 314,039 | 121,494 | 63,075 | 178,951 | 54,912 | | | | 1,312,954 |
| 19. PROFESSIONAL FEES | 35,600 | 35,866 | 44,486 | 180,481 | 77,887 | 54,733 | | | | 429,053 |
| 20. U.S. TRUSTEE FEES | | 325 | 650 | 4569 | | 6,481 | | | | 12,025 |
| 21. OTHER REORGANIZATION EXPENSES (attach list) | 45,000 | 45,000 | 45,000 | 45,000 | | | | | | 180,000 |
| TOTAL DISBURSEMENTS | 428,447 | 395,230 | 211,630 | 419,446 | 256,838 | 222,441 | | | | 1,934,038 |
| 22. NET CASH FLOW | 724,088 | (305,579) | (208,319) | (162,486) | (95,440) | 95,585 | | | | 47,849 |
| 23. CASH - END OF MONTH (prior-2) | 814,947 | 509,368 | 301,049 | 138,563 | 43,123 | 138,708 | | | | 138,708 |

*Applies to Individual debtor's only.

Revised 6-11-06

MOR-7

CASE NAME: Tekoil and Gas Gulf Coast, LLC

CASE NUMBER: 08-80405-113-11

CASH ACCOUNT RECONCILIATION
MONTH OF DEC 2009

| BANK NAME | AMEGY BANK | AMEGY BANK | AMEGY BANK | AMEGY BANK | AMEGY BANK |
|--|--------------|--------------|---------------------|------------------|------------|
| ACCOUNT NUMBER | # 0003926338 | # 0003926370 | # 0003770257 | # 00053059952 | |
| ACCOUNT TYPE | OPERATING | PAYROLL | BLOCKED RECEIVABLES | AUCTION DEPOSITS | TOTAL |
| BANK BALANCE | 211,211 | 0 | 2,324,824 | 347,788 | 2,883,823 |
| DEPOSIT IN TRANSIT | | | | | |
| OUTSTANDING CHECKS | (3,965) | | | | (3,965) |
| ADJUSTED BANK BALANCE | 207,246 | 0 | 2,324,824 | | 2,879,858 |
| BEGINNING CASH - PER BOOKS | 124,281 | 0 | 2,324,824 | 347,641 | 2,796,745 |
| RECEIPTS | 89,052 | | | 147 | 89,199 |
| TRANSFERS BETWEEN ACCOUNTS | | | | | |
| (WITHDRAWAL) CONTRIBUTION- BY INDIVIDUAL DEBTOR MFR-2 | | | | | |
| CHECKS/OTHER DISBURSEMENTS | (6,086) | | | | (6,086) |
| ENDING CASH - PER BOOKS | 207,246 | 0 | 2,324,824 | 347,788 | 2,879,858 |

MOR-8

Revised: 01/10/10

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U. S. Bankruptcy Code) and the professionals. Also, insiders identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary.)

| INSIDERS: NAME/POSITION/COMP TYPE | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|-----------------------------------|---------|---------|---------|---------|-------|-------|
| 1. | SEP '09 | OCT '09 | NOV '09 | DEC '09 | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| TOTAL INSIDERS (MOR-1) | | | | | | |

| PROFESSIONALS NAME/ORDER DATE | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|-------------------------------|--------|--------|--------|-------|-------|-------|
| 1. BRADFORD C. WALKER | 9,356 | 2,313 | 2,180 | | | |
| 2. WILLIAM L. ROBERTS | 21,826 | 10,125 | 3,906 | | | |
| 3. FORSTER & HEDGES | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| TOTAL PROFESSIONALS (MOR-1) | 31,182 | 0 | 12,438 | 6,086 | | |

MOR-9

Revised 6/14/96

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U. S. Bankruptcy Code) and the professionals. Also, insiders identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary.)

| INSIDERS: NAME/POSITION/COMP TYPE | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|-----------------------------------|---------|---------|--------|---------|---------|---------|
| | MAR '09 | APR. 09 | MAY 09 | JUNE 09 | JULY 09 | AUG. 09 |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| TOTAL INSIDERS (MOR-1) | | | | | | |

| PROFESSIONALS NAME/ORDER DATE | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|------------|
| | MAR. 09 | APR. 09 | MAY 09 | JUNE 09 | JULY 09 | AUG. 09 |
| 1. BRADFORD C. WALKER | 40,726.08 | 16,207.18 | 32,064.53 | 16,000.00 | 64,000.00 | 32,831.00 |
| 2. WILLIAM L. ROBERTS | 22,157.67 | 16,783.93 | 21,131.08 | 32,682.70 | 26,476.40 | 21,335.00 |
| 3. PORTER AND HEDGES | | | | | | 74,702.00 |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| TOTAL PROFESSIONALS (MOR-1) | 62,883.75 | 32,991.11 | 53,195.61 | 48,682.70 | 90,476.40 | 128,768.00 |

Revised 6/11/06

MOR-9

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U. S. Bankruptcy Code) and the professionals. Also, insiders identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary.)

| INSIDERS: NAME/POSITION/COMP TYPE | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|---|-----------|-----------|-----------|-----------|---------|---------|-------|
| TEROIL & GAS CORPORATION/ 1. SHAREHOLDER/FEE | SEP. 08 | OCT. 08 | NOV. 08 | DEC. 08 | JAN. 09 | FEB. 09 | |
| 2. | 45,000.00 | 45,000.00 | 45,000.00 | 45,000.00 | | | |
| 3. | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| TOTAL INSIDERS (MOR-I) | | | | | | | |

| PROFESSIONALS NAME/ORDER DATE | MONTH | MONTH | MONTH | MONTH | MONTH | MONTH |
|----------------------------------|-----------|-----------|-----------|------------|-----------|-----------|
| 1. BEADFORD C. WALKER | 35,600.00 | 35,865.97 | 44,485.85 | 25,693.06 | 49,887.13 | 32,330.00 |
| 2. WILLIAM L. ROBERTS | | | | 54,490.63 | 28,000.00 | 22,403.00 |
| 3. PORTER AND HEDGES | | | | 100,297.53 | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| TOTAL PROFESSIONALS (NOR-1) | | | | | | |

MOR-9

Mathematics